

STATE OF MICHIGAN  
DEPARTMENT OF ATTORNEY GENERAL



2860 EYDE PARKWAY  
EAST LANSING, MICHIGAN 48823

DANA NESSEL  
ATTORNEY GENERAL

March 13, 2023

Dineen Family Vineyards, L.L.C.  
d/b/a Dineen Family Vineyards  
Attn: Patrick J. Dineen, Registered Agent  
1175 Broadway E., Unit 8  
Seattle, WA 98102

Re: Cease and Desist Unlicensed Direct Shipping of Alcoholic Liquor

Dear Mr. Dineen:

This office has confirmed that Dineen Family Vineyards, L.L.C. d/b/a Dineen Family Vineyards has been directly shipping wine into the State of Michigan despite not possessing a direct shipper license. This conclusion arises from the attached excerpt from a common carrier report filed with the Michigan Liquor Control Commission (MLCC) demonstrating the business's ongoing practice of receiving money from customers in exchange for direct shipments of wine, contrary to the Michigan Liquor Control Code of 1998 (Liquor Code). See MCL 436.1101, et seq. More specifically, MCL 436.1203(1) prohibits a person from selling, delivering, or importing alcoholic liquor into this state unless authorized. Directly shipping wine to consumers in Michigan is authorized only through licensure under MCL 436.1203(10). Accordingly, the business and anyone affiliated with its operation are ordered to cease this illegal activity or face possible criminal charges.

The party mentioned above must cease and desist its ongoing practice of selling, furnishing, or shipping alcoholic liquor to customers in Michigan. This activity violates the Liquor Code and constitutes criminal activity. According to MCL 436.1909(3), any person who "performs any act for which a license is required under this act without first obtaining that license or who sells alcoholic liquor in a county that has prohibited the sale of alcoholic liquor . . . is guilty of a felony punishable by imprisonment for not more than 1 year or by a fine of not more than \$1,000.00 or both." Moreover, a person who sells, delivers, or imports wine in violation of MCL 436.1203(1) is subject to civil or criminal penalties of up to four years imprisonment or a \$5,000 fine, or both. MCL 436.1909(5).

The U.S. Constitution, in the Twenty-first Amendment, reserves the right to control alcoholic beverages to the individual states, and each state has its own

**EXHIBIT 1**

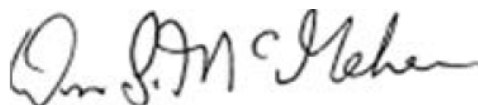
Dineen Family Vineyards, L.L.C.  
d/b/a Dineen Family Vineyards  
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system of licensing, taxation, and regulation to prevent unauthorized sales. See U.S. Const Amend XXI; see also 1963 Mich Const Art. IV, §40. The Michigan Legislature has established a system of licensing, taxation, and enforcement standards, which the MLCC is responsible for implementing. The essence of such a control system is that alcoholic beverages, while legal, are controlled substances which are susceptible to misuse or abuse. Liquor licensees, who are authorized to sell alcoholic beverages, are directly accountable to the MLCC.

Dineen Family Vineyards, L.L.C. d/b/a Dineen Family Vineyards is also violating the Michigan Consumer Protection Act (CPA) by promoting and falsely representing to the public that its business is legal. Section 3 of the CPA, MCL 445.903(1)(a), prohibits representations that cause a probability of confusion or misunderstanding as to their approval. A persistent and knowing violation of this law may result in a court assessing a civil penalty of \$25,000, along with costs and attorney fees, in favor of the Attorney General. See MCL 445.905.

The statutes and possible legal actions stated in this letter are by no means exhaustive; this letter is intended only to place Dineen Family Vineyards, L.L.C. d/b/a Dineen Family Vineyards and persons affiliated with its operation on notice that the business is violating the laws prohibiting unlicensed persons from directly shipping wine to Michigan consumers. If this activity fails to cease within 14 days of your receipt of this letter, our office will take legal action to stop it. This may include filing criminal charges.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Donald S. McGehee", is written over a horizontal line.

Donald S. McGehee  
Division Chief  
Alcohol and Gambling Enforcement Division  
(517) 241-0210  
Fax: (517) 241-1074

Shipper Company	Shipper Address	City	State	Zip	Recipient Name	Recipient Address	City	State	Zip	Tracking ID	Ship Date	Delivery Date	Pkg W	Qty	Type	Kind	Est. Vol. ML
DINEEN FAMILY VINEYARDS LLC	2980 GILBERT RD	ZILLA	WA	98953	BRIANA SHAEFFER	67 LARCHWOOD DR	TROY	MI	48083	770153622150	10/10/2022	10/14/2022	39	13	Unavailable	Alcohol	750
Dineen Family Vineyards LLC	1175 Broadway East	SEATTLE	WA	98102	Mathew Horkey	12792 Dixon Road	DUNDEE	MI	48131	777667064008	8/16/2022	8/18/2022	11.00	3	Bottle	Wine	750

FedEx Common Carrier Report 1 Quarter 2023 FedEx Ground

DINEEN FAMILY VINEYARDS LLC	17252 S MAIN ST	GARDENA	CA	90248	ALEX JOKANOVIC	1206 ROYAL AVE	ROYAL
OAK MI	48073	393207828136	01/11/2023	01/17/2023	18	6	Unavailable Alcohol 750